

## 1301.0 - Year Book Australia, 1995

ARCHIVED ISSUE Released at 11:30 AM (CANBERRA TIME) 01/01/1995

### THE LONG-TERM UNEMPLOYED

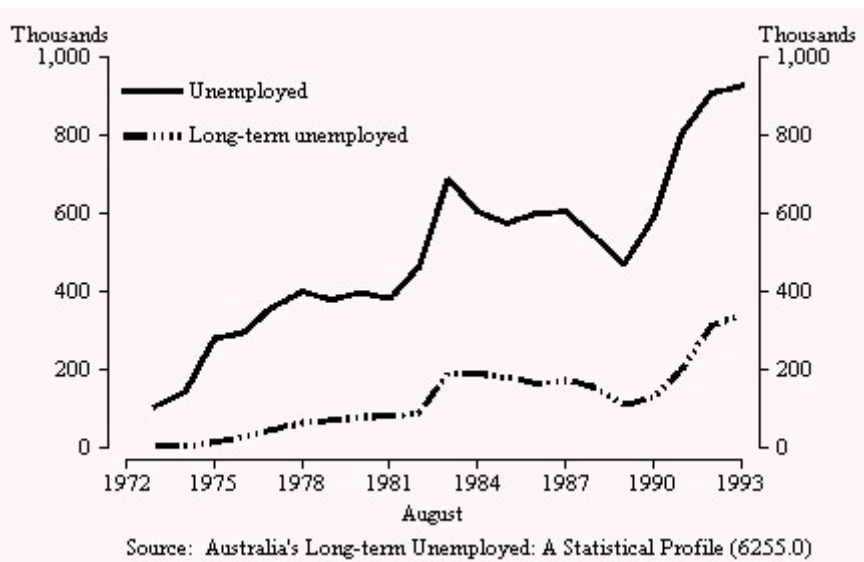
The number of long-term unemployed persons (that is, those unemployed for 52 weeks or more) in Australia trebled between August 1989 and August 1993, increasing from 108,200 to 337,700. In March 1993, the number of long-term unemployed reached an unprecedented peak of 370,900.

While the 1990-91 recession saw a dramatic increase in the number of long-term unemployed, the emergence and growth of long-term unemployment has been evident since the early 1970s. In August 1973, long-term unemployment represented 3.6 per cent of all unemployed persons. This proportion had increased to 36.5 per cent by August 1993.

Strong employment growth between 1983 and 1990 initially failed to make significant inroads into the number of long-term unemployed. A large proportion of the employment growth went to new entrants and re-entrants to the labour force, especially women. It was only in the late 1980s, under the pressure of very strong employment growth, that the number of long-term unemployed decreased substantially. This fall in long-term unemployment was interrupted by the onset of the 1990-91 recession.

In August 1993, males had higher long-term unemployment rates than females across all age groups. For females, the long-term unemployment rate was highest for those aged 15 to 24 years. Young males also had high long-term unemployment rates, although the rate was highest for older males. Of unemployed males aged 45 years and over, almost 60 per cent were long-term unemployed.

### 6.29 UNEMPLOYED AND LONG-TERM UNEMPLOYED PERSONS AGED 15 YEARS AND OVER



The average duration of unemployment (the average length of the current spell of unemployment for all unemployed persons within a particular group) tended to increase with age for both unemployed and long-term unemployed males and females.

Overall, the average duration of unemployment for all unemployed persons was longer for males than for females, whereas the average duration of unemployment for the long-term unemployed was longer for females than for males.

In August 1993 there were 506,100 other family members living in the same households as the 337,700 long-term unemployed. Of these other family members, 248,000 were dependent children.

There were 135,000 married couple families that had at least one partner long-term unemployed in June 1993. Of these, 17,500 had both partners long-term unemployed. Both the husband and the wife had significantly higher long-term unemployment rates where their partner was long-term unemployed.

### 6.30 LONG-TERM UNEMPLOYED MARRIED COUPLE FAMILIES: NUMBER AND RATES HUSBANDS AND WIVES AGED 15 YEARS AND OVER, JUNE 1993

| Labour force status of partner | Husband      |            | Wife        |            |
|--------------------------------|--------------|------------|-------------|------------|
|                                | '000         | Rate (%)   | '000        | Rate (%)   |
| Employed                       | 18.2         | 1.0        | 20.0        | 1.1        |
| Unemployed less than 12 months | 7.4          | 8.9        | 3.8         | 7.3        |
| Long-term unemployed           | 17.5         | 42.3       | 17.5        | 40.5       |
| Not in the labour force        | 64.7         | 6.3        | 3.4         | 3.3        |
| <b>Total</b>                   | <b>107.8</b> | <b>3.6</b> | <b>44.7</b> | <b>2.1</b> |

Source: Australia's Long-term Unemployed: A Statistical Profile (6255.0).

There were 15,800 long-term unemployed sole parents in August 1993. The long-term unemployment rate for female sole parents was 6.0 per cent. This compares with a long-term unemployment rate of 2.4 per cent for wives with dependants. For male sole parents, the long-term unemployment rate was 9.7 per cent. However, male sole parents represented only 11.5 per cent of all sole parents.

In August 1993, Tasmania (5.4%) and Victoria (5.2%) were the States with the highest long-term unemployment rates. These high long-term unemployment rates were evident in both Melbourne and Hobart as well as throughout the remainder of these States. In contrast, while the long-term unemployment rate was below the national average in Sydney (3.0%), the remainder of New South Wales experienced a long-term unemployment rate (5.2%) similar to Victoria and Tasmania. The long-term unemployment rate in Adelaide (4.6%) was also well above the national average of 3.9 per cent, although the rest of South Australia experienced a rate of only 2.2 per cent.

In August 1993, the highest regional long-term unemployment rates were experienced throughout most of Victoria and Tasmania, and along the coastal areas of northern New South Wales and the south-eastern regions of Queensland.

In February 1993, long-term unemployment rates were significantly higher among people without post-school qualifications than for those who had them. People who had not completed the highest level of secondary school had the highest long-term unemployment rate (6.5%).

### 6.31 UNEMPLOYMENT AND LONG-TERM UNEMPLOYMENT RATES FOR PERSONS AGED 15 TO 69: EDUCATIONAL ATTAINMENT, FEBRUARY 1993(per cent)

|                                    | <u>Unemployment<br/>rate</u> | <u>Long-term<br/>unemployment rate</u> |
|------------------------------------|------------------------------|--|
| <b>MALES</b>                       |                              |  |
| With post-school qualifications    | 8.8                          | 3.1                                    |
| Without post-school qualifications | 16.6                         | 7.0                                    |
| <b>Total</b>                       | <b>12.7</b>                  | <b>4.9</b>                             |
| <b>FEMALES</b>                     |                              |  |
| With post-school qualifications    | 9.6                          | 2.7                                    |
| Without post-school qualifications | 12.5                         | 3.6                                    |
| <b>Total</b>                       | <b>11.4</b>                  | <b>3.2</b>                             |
| <b>PERSONS</b>                     |                              |  |
| With post-school qualifications    | 9.1                          | 2.9                                    |
| Without post-school qualifications | 14.8                         | 5.5                                    |
| <b>Total</b>                       | <b>12.1</b>                  | <b>4.2</b>                             |

Source: Australia's Long-term Unemployed: A Statistical Profile (6255.0).

Over the last decade, the proportion of long-term unemployed people with post-school qualifications increased from 21.1 per cent to 36.1 per cent. This increase coincided with an increase in the proportion of the labour force with post-school qualifications. However, the increase in the proportion of long-term unemployed people with post-school qualifications has been much greater, primarily since the onset of the 1990-91 recession.

### 6.32 UNEMPLOYMENT AND LONG-TERM UNEMPLOYMENT RATES FOR PERSONS AGED 15 YEARS AND OVER: BIRTHPLACE, AUGUST 1993 (per cent)

|  | Unemployment<br>rate | Long-term<br>unemployment rate |
|--|----------------------|--------------------------------|
| Australia  | 10.0                 | 3.4                            |
| Main English-speaking background countries<br><b>(a)</b> | 9.2                  | 2.9                            |
| Non-English-speaking background countries                | 16.0                 | 7.3                            |
| <b>Total</b>   | <b>10.7</b>          | <b>3.9</b>                     |

**(a)** Comprises the United Kingdom, Ireland, Canada, South Africa, United States of America and New Zealand.

Source: Australia's Long-term Unemployed: A Statistical Profile (6255.0).

In August 1993, migrants from other than main English-speaking background countries experienced a higher long-term unemployment rate than either people born in Australia or migrants from main English-speaking background countries.

Recent arrivals have much higher unemployment and long-term unemployment rates, but these rates decrease as their period of residence increases. In fact, migrants who arrived since the onset of the 1990-91 recession had an extremely high unemployment rate (32.2%) and long-term unemployment rate (11.0%).

In May 1994 the Commonwealth Government handed down a White Paper, Working Nation which detailed a plan of action designed to restore full employment to Australia, with a particular focus on the long-term unemployed. Information on these initiatives is contained in the section, Government Employment and Training Programs, (at the end of this chapter).

---

This page last updated 18 June 2009

© Commonwealth of Australia

All data and other material produced by the Australian Bureau of Statistics (ABS) constitutes Commonwealth copyright administered by the ABS. The ABS reserves the right to set out the terms and conditions for the use of such material. Unless otherwise noted, all material on this website – except the ABS logo, the Commonwealth Coat of Arms, and any material protected by a trade mark – is licensed under a Creative Commons Attribution 2.5 Australia licence